



# START A BUSINESS IN BEMIDJI

1 2 3 *Start-up!*



Greater  Bemidji

102 1st St. W, Suite 101 | Bemidji, MN | 56619-0602 | (218)-444-5757



***Dear Perspective Business-Owner and Entrepreneur:***

Thank you for considering starting a business in the True North- Bemidji! I think you will find the greater Bemidji region is a region that is open for business, and willing to assist and support you.

We know what an exciting time it can be to start a business. As excited as you are about starting a business, we are equally excited for you! As a community, we want to support you and help you be successful.

Starting a business can be confusing and stressful as well. To help, we want to make this commitment to you- ***you will not be alone.*** Greater Bemidji's LaunchPad is specifically targeted to help entrepreneurs just like you. The LaunchPad will assign a **"Start-Up Navigator"** to work with you to help you work through the process of starting a company here. From assessing your idea to applying for licenses and permits, your Navigator will be there to help.

This guide- ***1, 2, 3, Start-Up*** - is meant to help you get started. It contains contact information and other resources that you will find helpful in starting your business. The goal of the guide is to not only make the process of starting your business easier and more seamless, but also to help you evaluate your idea so you have the best chance of success.

Thank you again for starting a business in Bemidji. Remember, it's as easy as ***1, 2, 3, Start-Up!***

Sincerely,

Rita Albrecht  
Mayor



## IT'S AS SIMPLE AS...

1

### CALL

the LaunchPad (218-444-5758) and get your own “Start-Up Navigator” assigned to you to help every step of the way (all for free).

2

### EVALUATE

your idea using the resources contained in this guide.

3

### APPLY

for all required local, state and national permits and licenses using our easy access database.

*Start-up!*



A co-working space and hub for entrepreneurial support, LaunchPad provides entrepreneurs, freelancers, start-ups, and professionals an opportunity to co-work, collaborate, network, and learn in an innovative, funky and fun environment. This one-stop-shop for entrepreneurs provides resources and support to move your business to the next level, with access to mentors, business consultants, financing resources, peer networking groups, and tailored training opportunities.

*Want to learn more about co-working and the space available at LaunchPad?  
Stop in and check it out for yourself.*

*Have a business idea and not sure where to start?*

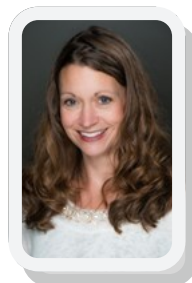
Our staff will help get you on a path to evaluating your idea and taking steps to making it a reality.

*Own your own business and looking for guidance on dealing with a current challenge, wish to expand your operations, or looking for expertise in marketing, finances, succession planning, etc?*

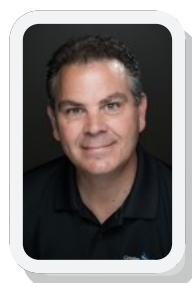
LaunchPad will connect you with the appropriate resources to address your needs.

The historic Mayflower Building located at 102 1st Street West on the edge of downtown Bemidji is the home of the LaunchPad. LaunchPad is an initiative of Greater Bemidji, Inc., the economic development organization for the Bemidji region dedicated to growing prosperity.

Meet our staff -



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# A Snapshot of Important Considerations Before Launching a Business Idea

## **CONCEPT**

A well-thought-out business plan is an important key to success. Take the time needed to fully develop a *written* business plan.

## **TARGET MARKET**

Assessing your market (location, size, trends, & seasonal patterns) and defining your specific niche within it is essential for projecting revenues and market share.

## **CONSULT WITH PROFESSIONALS**

Connect with business experts in the Bemidji Area to help vet your business concept, get constructive feedback, and help fine tune your business plan/financial projections.

## **COMPETITION**

Identify and understand your competition and what sets you apart. How will you differentiate your business in your marketing efforts?

## **PERSONAL FINANCIAL ASSESSMENT**

Write down your assets and liabilities and figure your net worth. This will help to determine the income necessary to cover personal expenses and how much you have available to invest in the business. Know your credit score and work to fix any issues.

## **LEGAL/PERMIT/LICENSE**

Look into what local/state/federal requirements exist for your business type. Also, what is the best business structure for your purpose/situation?

## **MANAGEMENT SKILLS**

Determine the key job responsibilities critical to the success of your business. Objectively assess what skills you possess and what areas you need to hire or outsource.

## **FINANCING**

Determine the start-up costs and identify potential financing options, vetting, banks, local gap financing programs, state programs, crowd sourcing, VC/angel funds, family, and don't forget your equity contribution.

# Start-Up Checklist

**Note:** This checklist is meant as a general guide.

- Stop into the LaunchPad** – One-Stop-Shop for entrepreneur resources. The staff at the LaunchPad will help you navigate the start-up process and connect you with the right people and organizations along the way.
  
- Visit with a SBDC Business Consultant** – This no-cost advising is an excellent resource as you work through your business plan. (Learn more about the SBDC, p. 4)

**Choose your Other Business Advisors** – Build a team of advisors you can lean on for guidance. Some of these are critical in the early stages while others can be added over time.

- Other Business Consultants* – The SBDC is a great resource, but not the only option available. (See p. 4 for a listing)
- Accountant* – Advise on appropriate business structures, tax planning, and bookkeeping methods, etc.
- Attorney* – Advise on business structure, contractual agreements, and real estate purchases, and patents.
- Banker* – For financial expertise, borrowing needs, and to establish business accounts.
- Insurance Agent* – To evaluate insurance needs for general, fire, liability, worker's compensation, and life coverage.
- Marketing Consultant* – To provide guidance on your marketing plan and best methods of advertising for your business.

## Connect on Social Media with Local Entrepreneur & Business Groups

Here are a few Facebook pages to help you connect with other entrepreneurs and resources.

- [www.facebook.com/groups/bemidjientrepreneurs/](http://www.facebook.com/groups/bemidjientrepreneurs/)
  - [www.facebook.com/Launchpadbemidji/](http://www.facebook.com/Launchpadbemidji/) [www.launchpadbemidji.com](http://www.launchpadbemidji.com)
  - [www.facebook.com/BemidjiChamber/](http://www.facebook.com/BemidjiChamber/) - Bemidji Chamber of Commerce
  - [www.facebook.com/groups/1113959925306945/](http://www.facebook.com/groups/1113959925306945/) - Bemidji Area Women Business Group
- 
- Attend Entrepreneurs Meetups** – Build your support network of peers and mentors and learn from other entrepreneurs as they present on their business ideas or discuss their current challenges within their business, every Wednesday @ 8:00 am at the LaunchPad. (More on the Meetup, p. 5)

- Prepare a Personal Financial Statement/Determine Your Credit Score** – Understanding your own personal financial condition (assets, liabilities, net worth & credit score) will be important in evaluating your income needs from the business and discussing financing options with potential lenders. (See Personal Financial Statement template, pp. 19-20)

These sites will provide your credit report at no cost:

[www.freecreditreport.com](http://www.freecreditreport.com)

[www.annualcreditreport.com](http://www.annualcreditreport.com)

[www.creditkarma.com](http://www.creditkarma.com)

- Prepare your written Business Plan** – Take the time needed to research and write a solid and thorough business plan. If you struggle on how to answer or address any specific section do not hesitate to call on your business advisors for guidance or stop into the LaunchPad for advice. Find a Business Plan template on pp. 8-10, and there are other resources including, online business planning tool – such as [www.liveplan.com](http://www.liveplan.com) and the Northwest SBDC website [www.nwsbdc.org/resources-and-tools/](http://www.nwsbdc.org/resources-and-tools/).

Still not convinced - See '10 Reasons to Write a Business Plan', p. 7.

- Assess Your Management Skills** – What job responsibilities are critical to the success of your business? What skills do you bring and what areas will it be necessary to hire for or out-source? Complete the Self-Assessment on p. 6. Another valuable tool is the Strengths Finder 2.0 Assessment, which identifies your top strengths/talents and explains how to leverage them. Borrow the book from the LaunchPad library.

- Develop Your Marketing Plan** – Within your business plan you will need to define your market, your competitive advantage within it, and your strategies for reaching your target customer. Do not underestimate the value of research and understanding of your industry, market segments, and the most valuable marketing tools within it. (See Marketing Plan, p. 11-14)  
Typical marketing efforts will include:

- A useful website
- Social media (Facebook, Instagram, Twitter, etc.)
- Logo development/branding
- Brochures/print media/radio

- Financial Projections** – Often the most difficult step in the business plan, preparing a realistic cash flow projection for Year 1 through Year 3 is an important exercise in determining the viability of your business. Many detailed spreadsheets are available online or through your business consultant. You don't have to re-create the wheel.  
A simple monthly income statement template is available on p. 21.

### Tips:

- Document the assumptions behind the numbers for the benefit of those reviewing the projections.
  - Shoot for conservative, but attainable estimations.
  - Know your breakeven point.
  - Use it to compare to actuals once you are in business. It can become an important management tool.
- Determine your Sources & Uses** – What are the costs associated with your business start-up (Uses) and how will you pay for these costs (Sources)? This is an important exercise to make sure you have accounted for all the costs of starting a business and identified how you intend to pay for them. (See the Sources & Uses template, p. 22)
- Explore Financing Options** – How will you fund your start-up costs? Determine how much you can contribute personally and what will need to be financed through other sources. (See Financing Options, pp. 15-16)

Be prepared when meeting with a lender by understanding what a lender looks for and how they evaluate an application. (See The 5C's of Credit, p. 18 and Lender Checklist, p. 17)

### **Make your business legal** – consult your attorney or LegalCorps Services (free advising, p. 4)

- Determine the legal structure for your business: Sole proprietorship, partnership, corporation, or limited liability company. (See Business Entity Comparison Table on p. 23)
  - Register your Certificate of Assumed Name for the business and/or file Articles of Incorporation with the Minnesota Secretary of State and publish notice in newspaper. [www.sos.state.mn.us](http://www.sos.state.mn.us)
  - Register for your IRS Business ID number using Form SS-4 found at [www.irs.gov/pub/irs-pdf/fss4.pdf](http://www.irs.gov/pub/irs-pdf/fss4.pdf) or call 1-800-829-4933.
  - Register for your Minnesota Business ID number using Form ABR found at [http://www.revenue.state.mn.us/Forms\\_and\\_Instructions/abr.pdf](http://www.revenue.state.mn.us/Forms_and_Instructions/abr.pdf) or for instructions go to [www.taxes.state.mn.us](http://www.taxes.state.mn.us) or call 1-800-657-3605.
- Employee Considerations** – If you will be hiring employees get educated on the federal and state requirements. The below websites will provide some details, however, visiting with your business consultant for your specific business situation is advised.

Valuable websites:

*Federal guidelines*

<https://www.irs.gov/businesses/small-businesses-self-employed/hiring-employees>

*State guidelines*

<http://mn.gov/deed/business/starting-business/basics/>

<http://www.dli.mn.gov/StartingABusiness.asp>

<http://www.uimn.org/employers/index.jsp#5>

**Location, Location, Location** – Where will you operate your business? In your home? Leased space? Commercial building purchased or new construction? Or maybe Co-working space? Much goes into choosing a location - cost, traffic counts, parking, access, zoning/permitting, etc. Contact a local realtor to find out what's available. For information on land available in Bemidji for development see [www.greaterbemidji.com](http://www.greaterbemidji.com).

**Secure applicable permits and licenses** – Some type of permit or license may be needed for you to operate your business. The permitting and licensing process for businesses can be difficult to navigate depending on the business type and project scope. The sites below provide information on local, state, and federal licensing requirements. LaunchPad staff can help you navigate this step; especially in the often complex building permit process.

**City of Bemidji** - [www.ci.bemidji.mn.us](http://www.ci.bemidji.mn.us) under Departments - Building Permits/Rental or City Clerk

**Greater Bemidji Joint Planning Board** - <https://www.jpbgba.org/> under Applications

**Beltrami County** - [www.co.beltrami.mn.us](http://www.co.beltrami.mn.us) under Document Center – Business license

**State of Minnesota** - [www.mn.gov/elicense/](http://www.mn.gov/elicense/)

**Federal** - [www.sba.gov/starting-business/business-licenses-permits/federal-licenses-permits](http://www.sba.gov/starting-business/business-licenses-permits/federal-licenses-permits)

***Congratulations, with completion of this checklist you are well on your way to running a successful business!***

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